



2014 Annual Report

Economic Development Authority



EDA Board:

Emy Johnson
Sue Denkinger
Sandy Martin
Shelly Myrland
Terry Quigley

Adopted March, 2015

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ORGANIZATION and GOVERNANCE

The Shoreview EDA is a five-member board appointed by the City Council. It consists of 3 members of the City Council and 2 at-large members from the community. The City Council, as a whole, retains final decision-making authority on all financial and budgetary matters of the EDA. In 2014, the appointed members who served on the EDA included:

Ben Withhart, President (Council member)
Emy Johnson, Vice President (Council member)
Gene Marsh, Treasurer (At-Large) thru August
Shelly Myrland (At-Large) October – December
Terry Quigley, (Council member)
Sue Denkinger (At-Large)

In accordance with the established By-Laws, the Shoreview EDA appoints their officers at the first meeting of each year at their Annual Business Meeting. Officers of the Board include President, Vice President, and Treasurer. The Board has elected not to fill the office of Pro-Tem; a minimum quorum to conduct business consists of three members of which one would be appointed to preside over a meeting if the President and Vice President are not present.

The Shoreview EDA regularly meets at 5 p.m. on the 1st Monday of each month before City Council regular business meetings in the Council Chambers at Shoreview City Hall. Serving as Executive Director to the EDA is Assistant City Manager and Community Development Director, Tom Simonson. City Planner Kathleen Castle, and Economic Development and Planning Associate Niki Hill, also provide regular support and assistance to the EDA. The EDA also utilizes the services of Kirstin Barsness of Barsness Consulting and Robert Deike of the Bradley & Deike Law Firm.

EDA MISSION STATEMENT

The mission of the Shoreview Economic Development Authority is to facilitate economic growth by supporting existing businesses, foster reinvestment in residential neighborhoods and commercial areas, and promote the creation of new business, employment and housing opportunities in order to sustain and enhance the economic vitality and quality of life in the community.

EDA STRATEGIC OBJECTIVES

- ◆ Maintaining quality neighborhoods
- ◆ Preserving housing stock conditions
- ◆ Providing a variety of housing choices
- ◆ Retaining business and promoting expansion
- ◆ Supporting redevelopment of older commercial areas

EDA GOALS

Since its establishment, the Shoreview EDA has maintained foundational goals and continues each year with development and the implementation of a comprehensive work plan first adopted at the end of 2010.

The EDA goals incorporate both housing and community development initiatives.

- Goal 1:** To encourage quality development and redevelopment of commercial areas within the City of Shoreview.
- Goal 2:** To support and fund programs to assist Shoreview residents in retaining and maintaining their homes in Targeted Areas.
- Goal 3:** To educate both potential and current residents and businesses concerning Shoreview efforts to foster reinvestment in the community and maintain the existing high quality of life.

❖ **Special Legislation – “Shoreview TIF Pilot Project”**

As part of the strategic planning in 2013, both the City Council and Economic Development Authority supported the City pursuing the legislative extension of Tax Increment District No. 1, which was set to expire at the end of 2014. The extension of TIF District No. 1 would require special legislation at the State Legislature. Over the years, a number of cities have been successful in receiving extensions. The City entered into an agreement for legal services with the Larkin Hoffman law firm to assist in this effort. Larkin Hoffman has represented a number of cities over the years which have pursued special tax increment legislation.

BRE Tax Increment District

Preparation of background materials and supporting data for the extension occurred in the last months of 2013. Lobbying efforts commenced and intensified in 2014 when the legislative session began. Initially, the City of Shoreview sought a 15 year extension to TIF District No. 1 and the Bill was carried by local legislators in both the House of Representatives and the Senate. The City envisioned the extension as an important financial resource to continue with growing tax base, job creation and new housing to sustain the high quality of life in Shoreview.

During the lobby effort, it became apparent that the extension of the term for TIF District No. 1 was not going to have support in the Legislature. Working in concert with House Research Staff, State Legislative Leadership, State Senate and House Local Delegation, Governor’s Office, State Commissioner of Revenue and the City’s legal and lobbying team, Shoreview was successful in getting legislation passed giving special tax increment authority through a pilot program. Many hours of lobbying and testifying by Mayor Sandy Martin and City Staff kept the legislation in front of key decision-makers.

The “Shoreview Tax Increment Financing Pilot Project” allows the City to establish up to three Economic Development TIF Districts for a period of 12 years, instead of the current maximum of 8 years for the purpose of business retention, expansion and job creation. The City would have this special authority as a pilot program for a period of 5 years until June 30, 2019.

The following is an excerpt of the 2014 law, as it specifically relates to the special legislation for Shoreview:

Sec. 13.

SHOREVIEW TAX INCREMENT FINANCING PILOT PROJECT.

Subdivision 1.

Authority to establish districts.

(a) The governing body of the city of Shoreview or a development authority it designates may establish not more than three economic development tax increment financing districts in the city subject to the special rules under this section. The purpose of these districts is the retention and expansion of existing businesses in the city and the attraction of new business to the state to create and retain high paying jobs.

(b) The authority to establish or approve the tax increment financing plans and request certification for districts under this section expires on June 30, 2019.

Subd. 2.

Qualified businesses.

For purposes of this section, a "qualified business" must satisfy the following requirements:

(1) the business must qualify under one of the following when the tax increment financing plan is approved:

- (i) it operates at a location in the city of Shoreview;
- (ii) it does not have substantial operations in Minnesota; or
- (iii) the assistance is provided for relocation of a portion of the business's operation from another state;

(2) the expansion or location of the operations of the business in the city, as provided in the business subsidy agreement under Minnesota Statutes, sections 116J.993 to 116J.995, will result in an increase in manufacturing, research, service, or professional jobs, at least 75 percent of which pay an average wage or salary that is equal to or greater than 25 percent of the median wage or salary for all jobs within the metropolitan area; and

(3) the business is not engaged in making retail sales or in providing other services, such as legal, medical, accounting, financial, entertainment, or similar services, to third parties at the location receiving assistance.

Subd. 3.

Applicable rules.

(a) Unless otherwise stated, the provisions of Minnesota Statutes, sections 469.174 to 469.1794, apply to districts established under this section.

(b) Notwithstanding the provisions of section 469.176, subdivision 1b, the duration limit for districts created under this section is 12 years after the receipt of the first increment.

(c) The provisions of Minnesota Statutes, section 469.176, subdivision 4c, apply to determining the permitted uses of increments from the districts with the following exceptions:

- (1) any building and facilities must be for a qualified business;
- (2) the building and facilities must not be used by the qualified business or its lessees or tenants to relocate operations from another location in this state outside of the city of Shoreview;
- (3) the 15 percent limit in subdivision 4c, paragraph (a), is increased to 25 percent; and
- (4) the city or development authority may elect to deposit up to 20 percent of the increments in the fund established under subdivision 4. If the city elects to use this authority, all of the

remaining increments must be expended for administrative expenses or for activities within the district under Minnesota Statutes, section 469.1763.

(d) The governing body of the city may elect by resolution to determine the original and current net tax capacity of a district established under this section using the computation under Minnesota Statutes, section 469.177, subdivision 3, paragraph (a) or (b).

Subd. 4.

Business retention and expansion fund.

(a) The city may establish a business retention and expansion fund and deposit in the fund:

(1) increments as provided under subdivision 3, paragraph (c), clause (4); and

(2) increments from a district for which the request for certification of the district was made prior to April 30, 1990, if the amount necessary to meet all of the debt and other obligations incurred for that district has been received by the city.

(b) Amounts in the fund may be expended to assist qualified businesses, as permitted under subdivisions 2 and 3, and are not otherwise subject to the restrictions in Minnesota Statutes, sections 469.174 to 469.1794.

EFFECTIVE DATE.

This section is effective upon compliance by the governing body of the city of Shoreview with the requirements of Minnesota Statutes, section 645.021, subdivision 3.

Resolution No. 14-55 was adopted by the City Council formally accepting the special provisions granted to Shoreview from Minnesota Laws 2014, Chapter 308 Section 13.

BRE Fund Creation

As part of the Special Legislation for a new BRE Tax Increment District, the City of Shoreview has the ability to create a new BRE Fund. This fund is a separate entity from the BRE Tax Increment District. Under the Special Legislation Statute, the City can create up to three (3) BRE Tax Increment Districts where 20% of the increment collected (pooled) can be receipted in the BRE Fund. The advantages of the BRE fund are significant. Unlike when a City uses tax increment, the revenues in the BRE Fund can be used for costs that are not limited to "TIF eligible" expenditures and reimbursements. Whereas, TIF proceeds can only be used for public infrastructure, site improvements, and land acquisition; the BRE Fund revenues are considered non-TIF dollars and can be used for building construction, private improvements and other private capital expenditures. Also under TIF law, cities are not allowed to use TIF revenues to make loans to private enterprise, but with the BRE Fund this would not be restricted. In other words, the City could provide negotiated loans to local businesses in support of retention, expansion and job growth. Shoreview is not limited as to how it seeds or capitalizes the BRE Fund. Under the Special Legislation Statute, any un-obligated TIF funds from a pre-1990 TIF District can be deposited into the BRE Fund in addition to the 20% pooling provision from new BRE TIF Districts.

To capitalize on the benefits provided by the BRE Fund, the Shoreview EDA amended the Advantage Shoreview Loan Program. The marketing of the special program to the Shoreview business community will be undertaken in 2015. Key guidelines and criteria of qualifying/eligibility of the *Advantage Shoreview* BRE Business Loan include:

ADVANTAGE SHOREVIEW
BRE BUSINESS LOAN PROGRAM

Program Overview

The City of Shoreview, through the Economic Development Authority (EDA), is making funds available to provide low-interest rate loans to Shoreview business owners for the purposes of building expansion and renovation that result in the retention or creation of new employment with the City.

Loan Amount

The EDA will loan up to 30% of the total project cost with a minimum loan amount of \$50,000 and maximum of \$500,000.

Interest Rate

The interest rate for the term of the loan is negotiated and determined on an individual project basis.

Term

The maximum term for building construction and structural renovations is 15 years.

The maximum term for machinery, equipment, and fixtures is 10 years.

Eligible Projects

- Operate at a location in the city of Shoreview;
- Does not have substantial operations in Minnesota; or
- The assistance is provided for relocation of a portion of the business's operation from another state;
- The expansion or location of the operations of the business in the city, as provided in the business subsidy agreement under Minnesota Statutes, sections 116J.993 to 116J.995, will result in an increase in manufacturing, research, service, or professional jobs, at least 75 percent of which pay an average wage or salary that is equal to or greater than 25 percent of the median wage or salary for all jobs within the metropolitan area.

❖ **Business Activity**

Economic Gardening

The City of Shoreview partnered with Ramsey County on an *Economic Gardening* initiative launched by Ramsey County in association with four other metropolitan area

counties. The Regional Economic Gardening Partnership is linking selected emerging businesses with an array of resources to assist with long-term growth and job creation. The first *Economic Gardening Program* which began in late 2013, included 7 Shoreview-based businesses that qualified and were selected to participate in this program – the highest number of participating companies from any of the suburban communities in the five-county group. The program ran throughout most of 2014, and was so well received by the participating businesses for its benefits that the County has received approval to sponsor similar programs for the next two years. The City will continue to market this valuable new program to our key BRE businesses.

Best Western Plus and Green Mill Renovation

Work commenced in 2014 on major renovations to the Green Mill restaurant and Hampton Inn hotel at 1000 Gramsie Road. The property owner is converting the hotel to



a Best Western Plus, as well as revamping the Green Mill restaurant. The hotel will receive upgrades to interior spaces including guest rooms, addition of elevators, and expanded banquet space. The Green Mill will be completely redesigned and will have a much larger outdoor patio space. Work is expected to be completed by mid-2015.

City County Credit Union

Work on the construction of a new City and County Credit Union at 1001 Red Fox Road began in 2014 and was completed in January of 2015, with a grand opening ribbon-cutting ceremony. The branch facility is the third and final phase of the retail development that included Trader Joe's and a retail center.



Hummingbird Floral

The new Hummingbird Floral and Gifts store opened in October of 2014 at 4001 Rice Street. Hummingbird was located in the North Oaks Village Center but needed more space and acquired the former House of Dreams property at the intersection of Gramsie and Hodgson Roads. Hummingbird had just 1,300 square feet at the old location but now has over 5,000 square feet at the new building. They opened in early October.



Mayor Sandy Martin, along with several other City officials, attended the ribbon-cutting ceremony on November 6th as part of their grand opening weekend celebration. The Economic Development Commission held their October business meeting at Hummingbird Floral and was provided a tour of the facility by the owner and founder.

Raising Cane's

A site plan was approved in 2014 and building permit issued for a Raising Cane's restaurant. The restaurant chain specializing in chicken fingers is very popular in the South and growing in the Midwest market. The restaurant will be constructed on a building pad created in the auxiliary parking lot of Super Target along Lexington Avenue, just north of the YMCA. Construction is expected to start in April of 2015 and be open by mid-August of 2015.

Rainbow Foods Redevelopment

Roundy's Corporation, the parent company of Rainbow Foods, announced that they were leaving the Twin Cities' market and selling many of their holdings. Roundy's closed nine (9) of their stores in the summer of 2014, including the Rainbow Foods in Shoreview on Hodgson Road and Highway 96. The Shoreview EDA immediately began to formulate a strategy for securing a quality re-use of the vacant building or full redevelopment of the property. City staff has been working with both property owner and a developer to determine redevelopment alternatives for the site. Another smaller grocery concept is being pursued that would take a portion of the site.

Shoreview Corporate Center

The Shoreview EDA provided support to the property owner/management group for the Shoreview Corporate Center in effort to attract Ally Financial to the campus. The City Council and EDA endorsed an amendment to the Municipal Code establishing special permitted parking zones, which allows for off-site permit parking for Ally Financial employees. Management of the business campus is trying to secure a lease agreement with Ally Financial to locate to the 4000 Lexington Avenue building, but the company needs more parking than available on site. Ally Financial will bring almost 400 jobs to the community. The process involves the designation of a permit-only parking zone and licensing to specific stakeholders upon determination based on specific criteria. This accommodation by the City to allow for designated permit-only parking enabled the property management company to execute a long-term lease with Ally Financial to occupy a vacant building.

Shoreview Corporate Center

Campus Map



❖ Strategic Development Initiatives

Highway Corridor Transition Study

The Economic Development Authority authorized the hiring of a planning consultant to complete a study of certain residential neighborhoods located along arterial highways. The concern is that these residential land uses are no longer viable due to the noise, traffic volumes and speeds on these arterial highways. There has been a general decline in the overall conditions and maintenance of some residential properties along these highway corridors, and there appears to be a rising number of vacant/foreclosed and rental homes.

The planning consulting firm HKGI has completed the final study report of the Highway Corridors Transition Study. The document is being distributed to the Planning Commission, Economic Development Authority, Economic Development Commission, and City Council for review. This report is the culmination of several meetings with the City Council, EDA, Planning Commission, and identifies residential and commercial areas along arterials in the City that are in either in transition or require additional measures to preserve the existing land uses. Implementation strategies, financial tools

and the City's preferred role in any redevelopment opportunities will be identified for each of the study areas. Recommendations from the study could eventually lead to revised or new land use policies in the 2018 update of the Comprehensive Plan and will involve a public review process

Business Retention Visits – Economic Development Commission

Recognizing that Shoreview was reaching a stage of maturity as a nearly fully developed community with limited commercial land available for new economic development, the City established a strategic plan for fostering continued economic growth by focusing on retaining and growing existing key businesses. Through the adoption of the *Shoreview Business Retention and Expansion (BRE) Program*, the City developed a comprehensive and proactive plan to strengthen relationships with the local business community, especially key landmark and emerging companies deemed critical in providing significant jobs and economic tax base that benefit the overall quality of life in Shoreview.

The *Shoreview BRE Program* was created by the City Council, and implemented by the Economic Development Commission based on several economic factors:

- Local business and industry provide the economic foundation that supports the City's high quality of life
- Shoreview has transitioned from a growing suburb to a redeveloping community
- Limited vacant land availability necessitated a new approach to growing business, creating jobs, providing services, and expanding tax base
- Reinvestment and redevelopment have become key components to the long-range strategic economic plan

Since the adoption of the BRE program, teams consisting of the Mayor, City Council members, Economic Development Commission members, and City Staff have conducted over two dozen in-person visits to top businesses to better understand their concerns and needs to succeed and grow in Shoreview. A number of these business visits have resulted directly in business retention and expansion projects through private-public partnerships developed between the City government and our businesses.

In 2014, the City Council, EDC and EDA members visited with Stillwater Express Solutions and Torax Medical as part of the targeted list of BRE companies.

Retail and Restaurant Market Analysis

In late 2014, the City engaged the services of a prominent retail market expert to prepare two separate but related studies to identify current market conditions and actions the City could take to attract more quality sit-down restaurants to the community, and secure a new high-end grocer or other desired uses for the Rainbow Foods property. James (Jim) McComb, President of the McComb Group Ltd., conducted a market analysis to identify market demand for retail stores that could be potential

tenants for the vacant Rainbow store or a redeveloped site. The study is consistent with the City Council and EDA desire to be proactive in bringing a new quality use or redevelopment to this key commercial corner, and provided valuable information to assist pursuing high-end grocers and/or preferred retail developers.

Another analysis evaluated the potential for sit-down dining establishments in the community, determining location criteria and trade area demographics, identify specific sites potentially desirable for restaurants, and recommended what actions the City can take to influence the interest in bringing more restaurants to Shoreview, including possible redevelopment to make sites more attractive. A demand for sit-down quality restaurants has long been identified in our community surveys as one of the highest ranked services desired by our residents.

BRE- Target Investment Strategy

The work plans of both the Economic Development Authority (EDA) and Economic Development Commission (EDC) include a new action item to the economic development program that would study the linkages between the objectives of the Business Retention and Expansion Program (BRE) and the current types/availability of commercial properties and potential redevelopment areas to accommodate the growth needs of our key businesses to retain in the community. The basis of this study is to develop a comprehensive and focused strategy for supporting the retention and expansion of our BRE companies in cases where additional building space may only be attainable through redevelopment of certain older industrial areas. Both the EDA and EDC have endorsed the scope of the study presented by City staff, which will be undertaken over the next several months and reported back to these groups and the City Council as a whole by mid-2015.

To assist in the analysis, City staff and consultant began gathering data on existing land uses, commercial properties and buildings, vacant properties, and are drafting a survey to businesses that seeks to receive information on future building and expansion needs and challenges. Additionally, the City became a member of the Minnesota Commercial Association of Real Estate (MNCAR) that provides us access to the Xceligent commercial properties database. This database provides detailed information for both Shoreview and metropolitan area, including:

- a comprehensive inventory of commercial properties,
- buildings available for lease and sale,
- tenant information,
- sales comparables,
- historical trends on lease rates and building occupancy,
- market analytics, and demographics.

HOUSING

❖ Housing Projects

Lakeview Terrace

The grand opening of the new upscale Lakeview Terrace Apartments at Owasso and Victoria Streets near County Road E took place on September 24, 2014. The luxury rental apartment complex is the first new market rate project built in Shoreview since the 1980s. The project involved the redevelopment of the old Midland Plaza shopping center. The six-story 104 unit apartment building is the end result of a



private-public partnership between an ownership group from the adjacent Midland Terrace complex and the City of Shoreview. The developer invested over \$20 million into the luxury apartment building, which they hope will attract young professionals and “empty-nesters” looking to downsize but remain in the community.

Applewood Pointe

The City approved the plans and building permit for the Applewood Pointe of Shoreview senior cooperative building, and construction began in 2014. The 77-unit three-story project is being developed on the site of the former Kozlak’s Royal Oak restaurant. The developer is United Properties, which has developed a number of senior cooperatives in the Twin Cities under the “Applewood” concept.

Autumn Meadows

City granted approval and construction began in 2014 for the Autumn Meadows residential project by Pulte Homes. The 25-lot single family subdivision currently under construction is located in northern Shoreview off of Lexington Avenue between Woodcrest and Bucher Avenues.

Sale of 3339 Victoria Street Property

The EDA acquired a blighted house and nuisance property at 3339 Victoria Street on October 1, 2013. After soliciting development proposals and conducting a neighborhood meeting, the EDA and City Council approved a sale of the property to

Moser Homes. Moser Homes purchased the property after receiving a variance and minor subdivision approval to construct two market rate homes on the site. Originally, the City was considering the construction of an affordable home mixed with a market rate product. However, upon receiving feedback from both the neighborhood and market place, the City decided to move forward with the proposal from Moser Homes.

❖ **Housing Program Initiatives**

Shoreview Home Improvement Loan Program

To reach a larger cross section of Shoreview residents, the EDA expanded the eligible uses for the program beyond strictly energy improvements. The Loan program incorporates eligible exterior and interior repairs. These are intended to correct deficiencies that are present with the structure and other site improvements. The improvements may improve the livability of the home, function of the operating systems, and overall appearance of the structure and property. The program is not intended for housing additions, interior remodeling, landscaping, recreational/luxury improvements, working capital, debt service or refinancing of existing debts.

Status of Loan Approvals

Since the introduction of the Shoreview Home Energy Loan Program in May 2010, the HousingResource Center has closed 16 loans, all for single family homes located in the targeted neighborhoods. The total amount of loans made is slightly over \$242,149 with the program beginning to generate additional income that can be added to the loan pool.

Hoarding Response Initiative

Hoarding Response Assistance. The Shoreview EDA has established a Coordinated Response Plan which relies on collaboration between the responding agencies to manage these cases effectively and efficiently, and provide the property owner/resident with the resources needed to achieve long term success, resolve the hoarding and maintain the home and property in accordance with City standards.

Hoarding is the overcrowding of a room or portion of a dwelling with long-term storage of items, goods, or any combustible materials so as to prevent upkeep, maintenance, or regular housekeeping and is identified as a public nuisance in accordance with Section 210 of the Municipal Code. This housing condition is a fire hazard or a physical risk to the property or persons or otherwise dangerous to human life, public safety personnel or the public welfare. The City may abate hoarding conditions and assess the costs to the property. Abatement of the hoarding conditions is expensive and generally costs thousands of dollars.

Hoarding is also a mental health issue and is recognized as a disorder by the American Psychiatric Association. Long term success generally requires mental health therapy.

Due to the unique circumstances regarding hoarding, the Economic Development Authority established a policy to financially assist property owners who have been notified that the hoarding conditions in their homes need to be abated. The City may provide up to \$1,000 in financial assistance to residents who are committed to resolve the hoarding issue and comply with the City's Property Maintenance, Housing and Fire codes. The intent of the assistance is to off-set costs associated with the clean-up of the home and a basic level of necessary resources to residents to help ensure long-term success and safe housing conditions.

Hoarding Pilot Project. The City continues working with the Minnesota Hoarding Project and Ramsey County on a pilot project to better address hoarding cases at the municipal level. The goal of the pilot project is to create a protocol for a community response to hoarding disorder that includes a consistent and safe response for Shoreview, MN residents, first responders, and the public. This protocol has been developed with the assistance of the Economic Development Authority and is currently being used with new and existing cases. Other outcomes of this project include:

1. Advertising the pilot project and hoarding related topics using media outlets (e.g., billboards, Cable TV community access, print media, and social media) throughout the year.
2. Developed an information/resource packet for Code Enforcement Officers, First Responders and Residents.
3. Amended the City's Property Maintenance and Housing Code to better address the unique housing conditions associated with hoarding.
4. Hosted a workshop for municipal agencies addressing hoarding disorder and the City's process and response.

Rondo Community Land Trust

The Rondo Community Land Trust partnered with Ramsey County and the Shoreview EDA in submitting an application to the Minnesota Housing Finance Agency through the Community Land Trust Impact Fund seeking financial assistance to acquire up to two homes in Shoreview. The grant request was not approved in the ranking of applications. Rondo sought \$200,000 through this program, which would have been matched by Ramsey County. Funding through this program would have enabled Rondo to write down the cost of the property, thereby increasing affordability to low and moderate income families. Rondo asked the City Staff to assist in the preparation of this application by providing information regarding housing and employment.

❖ **Other Housing and Property Maintenance Programs**

The City of Shoreview continues to operate the SHINE Neighborhood Maintenance Program and the Rental Housing Licensing Program, as part of the efforts to maintain the quality of neighborhoods and housing stock. As the City's housing agency, the Shoreview EDA receives regular updates on tracking, results and analysis of these and other enforcement and education efforts and is also provided recommendations by City Staff.

SHINE Program

The SHINE program is intended to serve as an educational tool by providing property owners with information regarding the City's housing and property maintenance standards. Two neighborhoods are selected each year, one in the spring and one in the fall. This year, the two neighborhoods were inspected in the Spring totaling 233 units. In the Fall, an additional 291 properties were reviewed. The program continues to serve as an excellent tool for maintaining values and standards.

Rental Licensing

Shoreview established a rental housing licensing program in the summer of 2003 to address issues associated with the increase of rental housing units within the community. This program applies to single-family attached/detached homes, townhomes, mobile homes and multi-family dwelling units that are being used as rental properties. The program addresses several issues associated with rental housing units including maintenance, use and/or activity. The licensing program enables the City to ensure these units and properties are maintained in a manner that provides decent housing for residents and upholds the property maintenance standards of the community. In 2014 the City of Shoreview issued a record 604 rental licenses. The following table shows the increase in Rental Licenses over the past 5 years:

Rental Licenses Issued				
2010	2011	2012	2013	2014
357	448	550	572	604

Inspections of all nine MFU complexes are conducted in the fall of each year, approximately 1/3 of the dwelling units within each of the MFU complexes inspected for compliance with the City's housing and property maintenance code. Interior common areas are also inspected based on recent changes to our Housing Maintenance Code. MFU inspections are coordinated with the Fire Marshal from the Lake Johanna Fire Department, who inspects the common areas of these complexes to ensure Fire Code standards are being met.

Inspections for GDU units begin in February of each year and are geographically scheduled by neighborhood throughout the City. Staff will complete all of the required 255 inspections for 2015 by the end of the year.

Code Enforcement and Abatement

The Code Enforcement Program is primarily implemented on a complaint driven basis. Enforcement staff primarily responds to public complaints reporting that a property contains a use, construction or an activity that may not be in compliance with the City Zoning and/or Building Codes. Staff investigates the complaint through a site inspection and assesses whether a code compliance issue does in fact exist. If the complaint is verified, the Staff then works with the individuals to achieve compliance. In some instances, legal action is needed to achieve compliance.

OTHER ACTIONS & ACTIVITIES

❖ Communications and Outreach

The Economic Development Authority coordinates and collaborates with the Economic Development Commission in promoting economic growth and business development by utilizing a wide-range of communication tools to provide information and promote new programs and resources available to both businesses and residents of the community. These communications and outreach efforts included:

- In accordance with its By-Laws, the EDA hosted their annual meeting on January 6 2014. The Authority elected officers, reviewed the annual financial report and commented on a draft of the 2013 Annual Report.
- The Economic Development Authority and Economic Development Commission held a joint strategic planning meeting on April 7, 2014 to discuss business and economic development goals.
- The Economic Development Commission hosted a Small Business Workshop on the topic of Social Media and Marketing on November 6th at the Community Center. Representatives from the Earned Media Division of Deluxe Corporation facilitated the presentation on how businesses can



better utilize social media and optimize their presence in their market area. Approximately 25 persons attended the free event, representing about 12 local businesses. There was positive feedback from those in attendance and from the responses received from the follow-up online survey the City staff sent out to participants.

The EDC had established a goal of expanding business outreach beyond BRE business visits and the popular Shoreview Business Exchange, and wanted to target our smaller businesses.

- As part of on-going communication and networking, the EDC hosted two Business Exchange events at the Hilton Garden Inn. These events are open to all Shoreview area businesses and offer an opportunity for interaction between the private and public sectors. There typically is not a meeting or agenda focus, but the primary purpose is to foster open communication between City officials and members of the business community in an informal social setting.
- Launched a new quarterly newsletter called Business Matters targeted to the local business community to provide information for and about our businesses, including available resources and information on the community. The first issue of the new *Business Matters* newsletter was distributed in June, 2014. *Business Matters* will be published quarterly to our business community, and will include spotlight articles featuring local businesses as well as development updates and other information/resources of interest to our businesses. The City hopes to build an email database of subscribers to the newsletter to reach a wider audience, especially at our larger companies.

❖ **Budget and Financing**

The Shoreview EDA has 3 separate funds that fall within their jurisdiction in addition to special tax increment resources for eligible uses. Two funds are utilized towards the general operations of the Shoreview EDA, serving in both capacities as the Economic Development Authority (EDA) and the Housing and Redevelopment Authority (HRA). The EDA (Fund 240) and HRA (Fund 241) are not maintained at levels to fund special programs or projects for housing and/or economic development. A third fund (Fund 307) has been established to support the Shoreview Home Improvement Loan Program.

The following is a description of both the EDA and HRA Funds and includes a summary of the 2014-2015 adopted budgets:

Economic Development Authority Fund – Accounts for revenue dedicated to support activities of the EDA, including retention and expansion of local business, targeted redevelopment areas, providing employment opportunities and to strengthen and diversify the City’s tax base.

	2013 Actual	2014		2015		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
EDA Fund						
Revenue						
Property Taxes	\$ 59,653	\$ 80,000	\$ 80,000	\$ 90,000	\$ -	\$ 90,000
Interest Earnings	(6,377)	-		-	-	-
Total Revenue	53,276	80,000	80,000	90,000	-	90,000
Expense						
Community Development	\$ 48,797	\$ 71,007	\$ 75,925	\$ 82,629	\$ 3,251	\$ 85,880
Other Sources (Uses)						
Transfers In	-	-	-	-	-	-
Net Increase (Decrease)	4,479	8,993	4,075	7,371	(3,251)	4,120
Fund Equity, beginning	190,484	194,963	194,963	199,038		199,038
Fund Equity, ending	\$ 194,963	\$ 203,956	\$ 199,038	\$ 206,409		\$ 203,158

Housing and Redevelopment Authority Fund – Accounts for revenue dedicated to support the housing-related activities of Shoreview’s EDA, including the development of affordable housing, protection of property values and neighborhoods by promoting reinvestment and home improvements.

	2013 Actual	2014		2015		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
HRA Fund						
Revenue						
Property Taxes	\$ 74,513	\$ 90,000	\$ 90,000	\$ 95,000	\$ -	\$ 95,000
Interest Earnings	(1,980)	-	-	-	-	-
Total Revenue	72,533	90,000	90,000	95,000	-	95,000
Expense						
Community Development	\$ 60,506	\$ 81,371	\$ 81,873	\$ 85,485	\$ 133	\$ 85,618
Other Sources (Uses)						
Transfers In	-	-	-	-	-	-
Net Increase (Decrease)	12,027	8,629	8,127	9,515	(133)	9,382
Fund Equity, beginning	62,170	74,197	74,197	82,324		82,324
Fund Equity, ending	\$ 74,197	\$ 82,826	\$ 82,324	\$ 91,839		\$ 91,706